**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPI**

In Re:

William Dean Reese, Jr. and Melissa D. Reese **Bankruptcy No. 05-14052**

American General Financial Services, Inc. **Movant**

vs.

**William Dean Reese, Jr. and Melissa D. Reese, Debtors and
Alex B. Gates, Trustee** **Respondents**

AGREED ORDER

THIS MATTER, having come on before this Court on the ore tenus motion of American General Financial Services, Inc. (hereinafter "American General") for relief from stay and for other relief, and the parties, having announced agreement as to the disputed issues between them, and the Court, being fully advised in the premises, does hereby find and Order as follows:

1. On or about June 13, 2005, William Dean Reese, Jr. and Melissa D. Reese ("Debtor") filed a petition for bankruptcy pursuant to Chapter 7 of the United States Bankruptcy Code. American General is a secured creditor of Debtor and holds a valid security interest in Debtor's real property, as shown in the attached documents.

2. As of the date of the filing of this bankruptcy case by Debtor, the payoff balance on the contract was $8,853.70.

3. As of the date of the filing of this bankruptcy case by Debtor, the value of the property was not more than $8,853.70.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the automatic stay of 11 U.S.C. § 362 is hereby terminated as to any and all of American General's collateral and said property is hereby abandoned. The stay provisions of Rules 4001 and 7062 of the Federal Rules of Bankruptcy Procedure shall not apply to the provisions of this order and American General may immediately proceed to enforce its security agreement and liquidate its collateral.

SO ORDERED AND ADJUDGED, this 19th day of August, 2005.

UNITED STATES BANKRUPTCY JUDGE

AGREED AND APPROVED:

McKay Simpson
Lawler Franklin & Foreman, PLLC
Attorneys for American General Financial Services, Inc.

See attached

Stacy N. Greene
Attorney for Debtor

Alex B. Gates
Chapter 7 Trustee

AMGIL BK-71

abandoned. The stay provisions of Rules 4001 and 7062 of the Federal Rules of Bankruptcy Procedure shall not apply to the provisions of this order and American General may immediately proceed to enforce its security agreement and liquidate its collateral.

SO ORDERED AND ADJUDGED, this ____ day of ________________________, 2005.

____
UNITED STATES BANKRUPTCY JUDGE

AGREED AND APPROVED:

____
McKay Simpson
Lawler Franklin & Foreman, PLLC
Attorneys for American General Financial Services, Inc.

____
Stacy M. Greene
Attorney for Debtor

____
Alex B. Gates
Chapter 7 Trustee

[illegible]

LOAN AGREEMENT AND DISCLOSURE STATEMENT

AMERICAN GENERAL
FINANCIAL SERVICES

DATE 09/07/04	ACCOUNT NUMBER 26765814	TYPE OF LOAN (Alpha) C00
LENDER/SECURED PARTY NAME AND ADDRESS ("Lender")	LENDER'S TELEPHONE NUMBER 662-895-1291	
AMERICAN GENERAL FINANCIAL SERVICES, INC. 7139 COMMERCE DR STE 1A OLIVE BRANCH, MS 38654-2114		
BORROWER(S) NAME AND ADDRESS ("I","We")		
WILLIAM D REESE JR 3153 QUARTZ DR HERNANDO, MS 38632		

I will read this entire Loan Agreement and Disclosure Statement ("Agreement") and all related documents carefully. If I have any questions, I will ask them before I sign any of these documents. By signing, I am indicating my agreement to the statements, promises, terms, and conditions contained in the documents I sign.

TRUTH IN LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost me.	AMOUNT FINANCED The amount of credit provided to me or on my behalf.	TOTAL OF PAYMENTS The amount I will have paid after I have made all payments as scheduled.
16.34 %	$ 2753.80	$ 10136.00	$ 12889.80

My Payment Schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due
36	$ 358.05	monthly beginning 10/13/04

LATE CHARGE: [X] If any payment is not paid in full within 10 days after its due date, I will be charged 5.00 % of the unpaid amount of the payment, but not more than $ 5.00 or less than $ N/A.

[ ] If any payment is not paid in full within _____ days after its due date, I will be charged $ _______ if the entire scheduled payment exceeds $ _______ or $ _______ if the entire scheduled payment is $ _______ or less.

PREPAYMENT: If I pay off early:

[ ] I may [X] I will not have to pay a penalty or minimum charge.
[ ] I may [X] I will not get a refund or credit of part of the finance charge.

SECURITY: I am giving Lender a security interest in:

[X] Real estate located at: 3153 QUARTZ DR
HERNANDO, MS 38632

[ ] Motor Vehicles

Year	Make	Model	Vehicle Identification No.

[ ] Other Assets

Other Assets Description

[ ] Household items described on the Personal Property Appraisal Form, which I have signed and which has been delivered to me with this Agreement.

ASSUMPTION: Someone buying my home, if it secures this loan, may not assume the remainder of this loan on the original terms unless approved by Lender.

[ ] My loan contains a variable-rate feature. Disclosures about the variable-rate feature have been provided to me earlier.

See the remainder of this Agreement for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties, if any.

THIS AGREEMENT IS SUBJECT TO THE FEDERAL ARBITRATION ACT.

By signing below, I acknowledge receipt of a copy of this Federal Disclosure Statement.

____
Borrower

____
Co-Borrower

SEE REVERSE SIDE FOR ADDITIONAL DISCLOSURES

UNAA81 (04-13-03) Agreement (1-2)

[X] **INTEREST BEARING LOAN.** If checked, I agree to pay Principal, plus interest ("finance charges") on the daily unpaid Principal balance computed at the Contract Rate, in the amounts and on or before the dates set forth in the Payment Schedule in the Truth in Lending Disclosures on page 1 herein, plus all other fees, charges, and other amounts due under this Agreement, at Lender's address set forth in this Agreement, unless otherwise notified, until paid in full. If the "Adjustable Rate Loan" box is checked above, the Contract Rate and the monthly payment amounts may change as set forth therein. If I have not purchased credit insurance or have purchased single premium credit insurance, all payments will be applied in the following order to: (a) other charges provided for in this Agreement or otherwise allowed by law, and late charges; (b) interest; and (c) unpaid Principal. If I have purchased credit insurance that is billed on a monthly basis, all payments will be applied in the following order to: (a) other charges provided for in this Agreement or otherwise allowed by law, and late charges; (b) any past due credit insurance premiums billed on a monthly basis; (c) any past due loan payment(s); (d) currently due credit insurance premiums that are billed on a monthly basis: and (e) currently due loan payment. When applying payments to past and currently due loan payments, monies will be applied first to accrued interest with the remainder, if any, being applied to unpaid Principal. Because interest on my loan is earned daily, early payments will decrease the amount I owe, and late payments will increase that amount. The Payment Schedule assumes that I will make each payment on the day it is due; therefore, my final payment will be adjusted as appropriate to reflect any variation in the actual dates my payments are received by Lender. If any unpaid amounts remain due to Lender after my final scheduled payment due date, I agree to pay finance charges on these unpaid amounts, computed at the Contract Rate, until paid in full.

[ ] **PRECOMPUTED LOAN.** If checked, I agree to pay the Total of Payments in the amounts and on the dates shown in the Payment Schedule in the Truth in Lending Disclosures on page 1 hereof, plus all other fees, charges, and other amounts due under this Agreement, at Lender's address set forth in this Agreement, unless otherwise notified, until paid in full. If any unpaid amounts remain due to Lender after my final scheduled payment due date, I agree to pay interest on these unpaid amounts, computed at the Contract Rate, until paid in full. If I have purchased credit insurance that is billed on a monthly basis, all payments will be applied in the following order to: (a) other charges provided for in this Agreement or otherwise allowed by law, and late charges; (b) any past due credit insurance premiums that are billed on a monthly basis; (c) any past due loan payment(s); (d) currently due credit insurance premiums that are billed on a monthly basis; and (e) currently due loan payment. When applying payments to past and currently due loan payments, monies will be applied to the Total of Payments.

PRINCIPAL. Principal (also called "State Amount Financed") is the total of the Amount Financed, plus any Prepaid Finance Charges that I have financed. Total Principal is $ 10186.00 .

INTEREST. The amount of interest in accordance with scheduled payments is $ 2703.80 ("State Finance Charge").

[ ] **BALLOON PAYMENT.** If checked, my last scheduled payment is larger than my regular scheduled payments ("Balloon Payment"). I agree that, unless Lender has agreed to refinance my Balloon Payment, I must pay the full amount of my Balloon Payment from my own resources or by refinancing my loan with another lender on or before the due date of my Balloon Payment.

PREPAYMENT REFUND. I may prepay all or any part of my loan at any time, subject to the payment of the penalty (if any) described below. The Prepaid Finance Charges are deemed by the parties to be fully earned on the Date of Loan and are not refundable, to the extent permitted by applicable law.

If my loan is a Precomputed Loan and I prepay in full, the amount I owe will be reduced by any unearned finance charges, computed by: (a) if the term of this Agreement is sixty-one (61) months or less and this loan is not governed by § 226.32 of Regulation Z, which implements the Home Ownership and Equity Protection Act, the Rule of 78s method, as provided by § 75-67-127, Mississippi Code of 1972; or (b) if the term of this Agreement is more than sixty-one (61) months or is governed by § 226.32, the actuarial method. No refund of less than $1.00 will be made.

LATE CHARGE. I agree to pay any late charge described in the Truth in Lending Disclosures herein.

DEFERMENT CHARGE. If my loan is a Precomputed Loan, Lender and I may agree to defer the due dates of one or more remaining scheduled payments and I agree to pay a deferment charge as permitted by § 75-67-120, Mississippi Code of 1972. I will not have to pay a late charge on any deferred payment.

DISHONORED CHECK CHARGE. If my check or other instrument given to Lender is returned unpaid for any reason, I agree to pay a dishonored check charge of $ 15.00 .

PREPAYMENT PENALTY.

[X] If checked, there will be no prepayment penalty.

[ ] If checked, and I prepay the loan in full at any time less than ___ months from the Date of Agreement, I agree to pay a prepayment penalty of.

(a) 5% of the unpaid Principal if prepayment in full occurs prior to twelve (12) months from the Date of Agreement;
(b) 4% of the unpaid Principal if prepayment in full occurs on or after twelve (12) months from the Date of Agreement, but prior to twenty-four (24) months from the Date of Agreement; or
(c) 3% of the unpaid Principal if prepayment in full occurs on or after twenty-four (24) months from the Date of Agreement, but prior to thirty-six (36) months from the Date of Agreement; or
(d) 2% of the unpaid Principal if prepayment in full occurs on or after thirty-six (36) months from the Date of Agreement, but prior to forty-eight (48) months from the Date of Agreement; or
(e) 1% of the unpaid Principal if prepayment in full occurs on or after forty-eight (48) months from the Date of Agreement but prior to sixty (60) months from the Date of Agreement.

There will be no prepayment penalty if:

(a) this loan is refinanced or consolidated by Lender or its affiliate;
(b) this loan is prepaid with insurance proceeds;
(c) this loan is prepaid as a result of lawsuit, foreclosure, or acceleration;
(d) Lender disapproves a request for assumption and exercises its rights under a due on sale clause, and imposition of the prepayment penalty is prohibited by applicable law; or
(e) this loan is prepaid more than ___ months from the Date of Agreement.

DEFAULT COSTS. In the event of default, I agree to pay Lender's (a) court costs, (b) reasonable attorney's fees, and (c) costs to realize on any security interest, each if and to the extent permitted by applicable law.

GOVERNING LAW. The laws of the State of Mississippi shall govern this Agreement, except as preempted by federal law.

PLEASE SEE IMPORTANT INFORMATION ON REVERSE

Initials ___ ___

DATE OF LOAN. 09/13/04 (the d[illegible] the Finance Charge is scheduled to begin to a[illegible]e).

CONTRACT RATE. 15.99 % per year, which is the agreed interest rate. If the "Adjustable Rate Loan" box is checked below, this rate is subject to change as set forth therein.

PROMISE TO PAY. For value received, I promise to pay to the order of the Lender all amounts due under this Agreement in accordance with the Payment Schedule set forth in the Truth in Lending Disclosure on page 1 of this Agreement, and with all other terms of this Agreement. If the "Adjustable Rate Loan" box is checked below, the payment amounts set forth in the Payment Schedule may change as set forth in this Agreement.

☐ **ADJUSTABLE RATE LOAN.** If this box is checked, I agree that the agreed interest rate I will pay may change on the Due Date of my ________ payment and on that same date every ______________ thereafter ("the Change Date"). If there is no corresponding date in any given month, the Change Date will be the last day of the month. (For example, if my first Change Date is January 31, my next Change Date will be April 30.) Beginning on the first Change Date, my interest rate will be based on an Index. The Index is the highest Prime Rate published in the Wall Street Journal's "Money Rates" table. If this Index should no longer be available, Lender will choose a comparable replacement Index and will inform me of the new Index.

Prior to each Change Date, Lender will calculate the new agreed interest rate by taking the Index as of 60 days prior to the Change Date and adding a margin of ______ percentage points. Lender will round the resulting figure down to the next lowest one-hundredth of one percent. Lender will then determine the new monthly payment amount necessary to repay my loan in full on the due date for the final payment.

My interest rate will never increase or decrease on any single Change Date by more than __________ percentage points from the agreed rate of interest in effect immediately preceding the Change Date. Any rate change not implemented as a result of this limitation may be carried over to the next Change Date. My interest rate will never be greater than __________%, and my interest rate will never be lower than __________%.

The new agreed interest rate will be effective as of the Change Date. The new monthly payment will be effective as of the next regularly scheduled due date subsequent to the Change Date. Lender will send me notice of all rate and payment changes as required by law.

SECURITY AGREEMENT. If any type of personal property (property other than real estate ("real property")) is disclosed in the "Security" section of the Truth in Lending Disclosures, to secure all amounts due or which become due under this Agreement and my performance of all other terms of this Agreement, I grant Lender a security interest under the Uniform Commercial Code or other applicable law in: (1) the property identified in the "Security" disclosure of the Truth in Lending Disclosures on page 1 of this Agreement; (2) any substitutions or replacements of that property; and (3) the proceeds and products of that property (collectively referred to as the "Collateral"). I also grant Lender a security interest in any unearned premiums from any insurance I have elected and purchased through Lender in connection with this transaction which protects the loan account or collateral (including, but not limited to, voluntary credit and personal property insurance). Lender's security interest shall remain in effect until I have paid in full all amounts due under this Agreement and any modifications, renewals, and extensions thereof. Notwithstanding any other provision of this Agreement, Lender is not granted, and will not have, a nonpurchase money security interest in household goods, to the extent such a security interest would be prohibited by applicable law. I authorize Lender to sign and file financing statements covering the Collateral without my signature. I authorize Lender to file a copy of this Agreement as a financing statement when appropriate. If real property is disclosed in the "Security" section of the Truth in Lending Disclosures, I am signing a mortgage or deed of trust covering the real property at the same time that I am signing this Agreement.

JOINT BORROWERS. If more than one Borrower is named above, all Borrowers agree that they are jointly and severally liable and that Lender may enforce this Agreement against all or any of them, but not in a combined amount exceeding the amount due.

CO-MAKERS (also referred to as CO-SIGNER(S)). If I am signing this Agreement as a Co-Maker, I understand that I am equally responsible with the Borrower(s). I agree that Lender may pursue me or any Maker if this Agreement is in default. Unless required by law, Lender will not notify me if: (a) this loan is in default; (b) Lender agrees to accept different payment terms; (c) Lender releases any security interest; or (d) Lender releases any Borrower(s) or Maker(s).

CREDIT INFORMATION. I authorize Lender to investigate my creditworthiness, including to obtain my credit report at anytime, as permitted by law.

REQUIRED PROPERTY INSURANCE. I agree to insure any automobiles, all terrain vehicles, snowmobiles, watercraft, other titled vehicles, large equipment, and dwellings and other structures attached to real property ("Property"), in which I have granted Lender an interest to secure my loan, against all risks of physical damage, including loss by fire and other hazards, for the term of the loan, in amounts and with deductibles approved by Lender ("Required Insurance"). Required Insurance must: (1) be issued by an insurer and have terms and conditions satisfactory to Lender, (2) name Lender as loss payee or mortgagee, (3) not permit the addition of any other loss payee or mortgagee to the insurance policy unless Lender consents in writing, (4) provide that such insurance will not be canceled or modified without at least 15 days prior written notice to the loss payee or mortgagee, and (5) not include any disclaimer of the insurer's liability for failure to give such notice. I may purchase Required Insurance from whomever is acceptable to Lender or provide existing coverage through any insurance company or agent of my choice that is acceptable to Lender. Lender does not sell Required Insurance. I agree to provide to Lender satisfactory proof of Required Insurance. I agree to keep Required Insurance in force until all amounts I owe Lender under this Agreement are paid in full. In the event of damage to or loss of the Property, I agree to give prompt notice to Lender and the insurance carrier. If I fail to promptly notify or make proof of loss to the insurance carrier, Lender may, but is not required to, do so on my behalf. I agree Lender may use any insurance proceeds to reduce any amounts I owe under this Agreement. To the extent permitted by law, I authorize Lender to adjust my losses and sign my name to any check, draft, or other papers necessary to obtain such insurance payments. If insurance proceeds paid to Lender do not pay off all amounts I owe Lender under this Agreement, I remain responsible for payment of the balance of any amounts due under this Agreement.

LENDER PLACED INSURANCE. If at any time I fail to buy or keep in force Required Insurance, Lender may, but is not required to, purchase Required Insurance at my expense to protect Lender's interest in the Property. I agree that Required Insurance may, but to the extent permitted by law, need not, protect my interests. The coverage purchased by Lender may not pay any claim I make. I agree that the cost of Required Insurance purchased by Lender may be much more than the cost of Required Insurance I could have obtained on my own, and I agree that the cost of such Required Insurance may, to the extent permitted by law, be added to my loan balance and accrue interest at the Contract Rate. I authorize Lender to release to third parties any information necessary to monitor the status of Required Insurance on my Property and to purchase Required Insurance required by this Agreement.

VOLUNTARY CREDIT INSURANCE. Lender's affiliate may provide the credit insurance that I voluntarily select. Lender and/or its affiliates expect to profit from my purchase of voluntary credit insurance, and I consent to this.

ASSIGNMENT OF UNEARNED INSURANCE PREMIUMS AND POLICY PROCEEDS. I, where authorized by law, hereby assign to Lender any moneys, not in excess of the unpaid balance of indebtedness which this instrument secures, which may become payable under any insurance I have elected and purchased through Lender in connection with this transaction which protects the loan account or collateral (including, but not limited to, voluntary credit and personal property insurance), including return of unearned premiums, and direct any insurance company to make payment directly to Lender to be applied to said unpaid indebtedness and I hereby appoint Lender as my attorney-in-fact to endorse any draft, check or other papers necessary to obtain such insurance payments.

CORRECTION; RELEASE. During the term of this Agreement, I agree to cooperate with Lender to: (a) correct any clerical errors that were made in connection with loan documents, (b) obtain the correct amounts due to others, and (c) release all liens upon payment in full. Lender may consider any breach of this requirement as an event of default of this Agreement.

CANCELLATION. Prior to the distribution of loan proceeds, Lender may withdraw its approval of or commitment to make this loan if Lender reasonably believes that: (a) there are material omissions or misrepresentations in connection with my credit application; (b) there is a material, adverse change in my creditworthiness; (c) there are additional liens on the right, title, or interest of any collateral to be used for this loan; or (d) a sale or transfer of any right, title, or interest in any collateral to be used for this loan has or will occur that is not agreed to by the Lender.

SEVERABILITY. The fact that any provision of this Agreement may prove invalid or unenforceable under any law, rule, or regulation of any federal, state, or local court or governmental entity shall not affect the validity or enforceability of the remaining provisions of this Agreement.

NO ASSUMPTION. This Agreement shall not be eligible for assumption by any party without the express written consent of Lender.

SEE REVERSE SIDE FOR ADDITIONAL INFORMATION Initials [handwritten initials] ______

F. **ENFORCEMENT AND APPEAL OF DECISION.** The decision and judgment of the arbitrator shall be final, binding, and enforceable in any court having jurisdiction over the parties and the dispute; however, for Covered Claims involving more than $100,000, any party may appeal the award, at its own cost, except as provided by law, to a three-arbitrator panel appointed by the NAF, AAA, or JAMS, as the case may be. That panel will reconsider from the start any aspect of the initial award that either party asserts was incorrectly decided. The decision of the panel shall be by majority vote and shall be final and binding, except as provided below. The arbitrator's (or panel's) findings, decision, and award shall be subject to judicial review on the grounds set forth in 9 U.S.C. § 10, as well as on the grounds that the findings, decision, and award are manifestly inconsistent with the terms of this Arbitration Agreement and any applicable laws or rules.

G. **LIMITATION OF PROCEEDINGS.** Lender and I further agree that the arbitrator will be restricted to resolving only the claims, disputes, or controversies between Lender and me and the other parties covered by this particular Agreement (and not by similar agreements). Arbitration is not available and shall not be conducted on a class-wide basis or consolidated with other claims or demands of other persons. I agree not to participate in a representative capacity or as a member of any class of claimants pertaining to any Covered Claim.

H. **LIMITATION OF ARBITRATOR'S AUTHORITY**: The arbitrator may award punitive damages only under circumstances where a court of competent jurisdiction could award such damages. In awarding any punitive damages, the arbitrator must abide by all applicable state and federal laws regarding the amount of such damages, and the arbitrator must state the precise amount of the punitive damages award. The arbitrator must also conduct a post-award review of any punitive damages, allowing the parties the same procedural rights and using the same standards and guidelines that would apply in a judicial proceeding in the state where the arbitration is conducted. The arbitrator may award injunctive relief that would benefit either Lender or me in connection with resolving a Covered Claim between Lender and me, but the arbitrator may not award injunctive relief for the benefit of other persons or groups of persons who are not named parties to the arbitration proceeding.

I. **LOCATION OF THE ARBITRATION.** The arbitration will take place in the county where I live unless Lender and I agree to another location. If Lender and I agree, all or a portion of the arbitration proceedings can be conducted by telephone conference.

J. **ENFORCEMENT IN COURT.** Nothing in this Arbitration Agreement shall prevent either Lender or me from enforcing all rights under this Arbitration Agreement if a Covered Claim is filed in court.

K. **FORUM SELECTION CLAUSE.** If either Lender or I need to file a lawsuit to enforce this Arbitration Agreement or to pursue claims that either may or may not be arbitratable under this Arbitration Agreement, the exclusive venue for that suit will be a state court located in the county where Lender's office is located or where I sign this Agreement, or in the federal court covering that county, unless the governing law requires suit to be filed in another location. Nothing in this paragraph shall prevent either Lender or me from enforcing its or my rights under this Arbitration Agreement if the Covered Claim is filed in court.

ADDITIONAL INFORMATION. I may obtain additional information about arbitration by contacting the National Arbitration Forum, Inc., at P.O. Box 50191, Minneapolis, Minnesota 55405. (800-474-2371 (Telephone)). (651-631-0802 (Fax)). www.arb-forum.com (e-mail).

OTHER IMPORTANT AGREEMENTS. Lender and I agree:

(a) This Arbitration Agreement does not affect any statute of limitations or claims of privilege recognized at law.

(b) The loan and insurance transactions between Lender and me and other applicable parties are transactions involving interstate commerce, using funds and other resources from outside the state.

(c) The Federal Arbitration Act applies to and governs this Agreement. State arbitration laws and procedures shall not apply to this Agreement.

(d) This Agreement applies to and runs to the benefit of Lender's and my assigns, successors, executors, heirs, and/or representatives.

(e) If any term of this Arbitration Agreement is unenforceable, the remaining terms are severable and enforceable to the fullest extent permitted by law.

(f) This Arbitration Agreement supersedes any prior arbitration agreement that may exist between Lender and me and can only be modified in writing signed by the parties.

(g) This Arbitration Agreement applies even if my loan has been cancelled, changed, modified, refinanced, paid in full, charged off, or discharged or modified in bankruptcy.

I AGREE TO READ THIS ARBITRATION AGREEMENT CAREFULLY, BECAUSE IT LIMITS CERTAIN OF MY RIGHTS, TO THE EXTENT PERMITTED BY LAW, INCLUDING MY RIGHTS TO BRING A COURT ACTION, TO HAVE A TRIAL BY JURY, AND TO PARTICIPATE IN A CLASS ACTION OR CLASS ARBITRATION. BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE THAT I HAVE READ AND RECEIVED A COPY OF THIS ARBITRATION AGREEMENT AND AGREE TO BE BOUND BY ALL OF ITS TERMS.

SEE FOLLOWING PAGE FOR ADDITIONAL INFORMATION

Initials WM ______

BK2065PG0669

CONTINUATION SHEET

Lot 244, Section "D", Edgewater Subdivision, located in Section 20, Township 3 South, Range 7 West, DeSoto County, Mississippi, as recorded in Plat Book 79, Page 6 in the office of the Chancery Clerk of DeSoto County, Mississippi.

Being the same property conveyed to William D. Reese and wife, Melissa Reese by Deed from Mark Anglin, dated 4/4/03, recorded 6/5/03, in Book 445, Page 543, in the Chancery Clerk's Office of DeSoto County, Mississippi.

Property known as 3153 Quartz, Hernando, Mississippi

Parcel Number: 3074-2012-0-00244.00
TST-51629

STATE MS.-DESOTO CO

SEP 8 1 27 PM '04

BK 2065 PG 667
W.E. DAVIS CH. CLK.

Record and Return To:
Tri-State Title and Escrow, Inc.
866 Willow Tree Circle
Cordova, TN 38018

(Space Above This Line For Recording Data)

INDEX:

PREPARED BY:
BRANCH ADDRESS: CHRISTY BASLER
7139 COMMERCE DR SUITE 1A
OLIVE BRANCH, MS 38654
662-895-1291

STATE OF MISSISSIPPI
COUNTY OF DESOTO

AMERICAN GENERAL FINANCIAL SERVICES

DEED OF TRUST

THIS INDENTURE, this day made and entered into between WILLIAM D REESE AND WIFE, MELISSA REESE hereinafter designated as the grantor, CHRISTY BASLER hereinafter designated as the Trustee, and American General Financial Services, Inc. 7139 COMMERCE DR SUITE 1A OLIVE BRANCH Mississippi, 38654 hereinafter designated as the beneficiary, WITNESSETH:

That whereas the grantor is justly indebted to the beneficiary in the full amount of TEN THOUSAND, ONE HUNDRED AND EIGHTY SIX DOLLARS DOLLARS ($ 10186.00), as evidenced by a promissory note/loan agreement of even date herewith in favor of the beneficiary, having a maturity date of 10/13/07, , including interest at the rate provided therein, providing for the payment of attorney's fees in case of default.

Together, however, with the right, at the option of the beneficiary, of renewal or extensions, and future and additional advances as hereinafter provided, and

WHEREAS, the said grantor desires to secure the prompt payment at maturity of the aforesaid indebtedness, as well as any renewal or extension of the same, or any part thereof, and any other or further indebtedness in the way of future advances, hereunder, or otherwise, that the grantor, or either of them, may now or hereafter owe the beneficiary as hereinafter provided.

NOW, THEREFORE, in consideration of the premises, and the further consideration of Ten Dollars ($10.00), cash in hand paid by the aforesaid trustee, the receipt of all which is hereby acknowledged, the grantor does hereby convey and warrant unto the said trustee, with power of sale, the property situated in the State of Mississippi, and more particularly described as follows, to-wit:

SEE ATTACHED LEGAL DESCRIPTION FOR PARCEL #3074-2012-0-00244.00

Together with any building, structures, machinery, fixtures, equipment and improvements thereon, or that may hereafter be erected thereon whether the same be permanent or temporary, and whether now or hereafter attached to or used in connection with said premises, and the hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining (it being the intention of the grantor to describe all of the property belonging to the grantor of the kinds and classes described herein located in the county stated herein, and also any property of said classes which may be hereafter acquired by the grantor and placed on real estate hereinabove described.)

If this Deed of Trust is subject and subordinate to another Deed of Trust, it is hereby expressly agreed that should any default be made in the payment of any installment of principal or of interest on said prior Deed of Trust, the holder of this Deed of Trust may pay such installment of principal or such interest and the amount so paid with legal interest thereon from the time of such payment may be added to the indebtedness secured by this Deed of Trust and the accompanying note/loan agreement shall be deemed to be secured by this Deed of Trust, and it is further expressly agreed that in the event of such default or should any suit be commenced to foreclose said prior Deed of Trust then the amount secured by this Deed of Trust and the accompanying note/loan agreement shall become and be due and payable at any time thereafter at the sole option of the owner or holder of this Deed of Trust.

It is agreed and understood by and between parties hereto that this conveyance is executed and intended to be and is hereby made subject to the following covenants, stipulations and conditions, all of which shall be binding upon the parties hereto and each of them.

First. In addition to the indebtedness specifically mentioned above, and any and all extensions or renewals of the same, or any part thereof, this conveyance shall also cover such future and additional advances as may be made to the grantor, or either of them, by the beneficiary, the beneficiary to be the sole judge as to whether or not such extensions or renewals, future and additional advances shall be made. In addition to all of the above, it is intended that this conveyance shall secure, and it does secure any and all debts, obligations, or liabilities, direct or contingent, of the grantor herein, or either of them, to the beneficiary, whether now existing or hereafter arising at any time before actual cancellation of this instrument on the public records of mortgages and deeds of trust, whether the same be evidenced by note/loan agreement, open account, over-draft, endorsement, guaranty or otherwise.

Second. The grantor will at all times during the continuance of this deed of trust keep the buildings and improvements on said premises insured against loss or damage by fire, storm, war damage or other hazard in such reliable insurance company, or companies, as may be acceptable to the beneficiary, for the maximum amount of insurance obtainable, or in such amount as may be approved by beneficiary, and all policies covering the same shall contain the proper loss payable clause, making all losses, if any, payable to the beneficiary, his successors or assigns, and shall be delivered to the beneficiary herein, or to the owner or holder of the note/loan agreements secured hereby as additional security. In case of loss and payment by any insurance company, the amount of insurance money so paid shall be applied either to the indebtedness secured hereby or in rebuilding or restoring the damaged building, or buildings, or it may be released to the grantor, as the beneficiary may elect. In the event of loss the grantor shall immediately give notice by mail to the beneficiary who may make proof of loss is same be not promptly made by the grantor; provided, however, such right shall impose no duty whatsoever upon the beneficiary and failure of beneficiary to act shall not serve as a waiver of any rights he may hold against the grantor. Each insurance company involved is hereby authorized, empowered and directed to make payment for any loss directly to the beneficiary instead of to the grantor and the beneficiary jointly.

Third. The grantor will pay all taxes and assessments, general or special, which may be assessed against the said land, premises or property, or upon the interest of the trustee or the beneficiary therein, or upon this deed of trust, or the indebtedness secured hereby, without regard to any law heretofore enacted or that may hereafter be enacted or imposing payment of the whole or any part thereof upon either the trustee or beneficiary, and further will furnish annually to the beneficiary certificates or receipts of the proper officer showing full payment of all such taxes and assessments. The grantor shall promptly pay all liens or judgments which may become liens on said above described property.

Fourth. That the rents, issues, and profits of all and every part of the property here conveyed are specifically pledged to the payment of the indebtedness hereby secured, and all obligations which may accrue under the terms of this instrument. Upon the maturity of the indebtedness hereby secured, either by lapse of time or by reason of any default as herein provided, or if at any time it becomes necessary to protect the lien of this conveyance, the beneficiary, or any owner, or holder of the note/loan agreements secured hereby, shall have the right to forthwith enter into and upon the property hereinbefore described and take possession thereof, and collect and apply the rents, issues and profits thereon upon the indebtedness secured hereby, or may, if it is so desired, have a receivership appointed by any court of competent jurisdiction to collect and impound the said rents, issues and profits and after paying the expense of such receivership apply the balance thereof to the payment of any indebtedness secured hereby.

Fifth. In case the grantor, their heirs or assigns, or either of the, or their vendees of the property herein conveyed, immediate or remote should become insolvent, or apply to a bankruptcy court to be adjudicated a voluntary bankruptcy, or proceedings be instituted to put them in involuntary bankruptcy, or should any proceedings be taken against the grantors, or their said vendees, immediate or remote, or either of them, looking to the appointment of a receiver, assignee, or trustee, then, and in either or any such case, all rents becoming due thereafter on the property herein conveyed shall be due and payable to the beneficiary herein, to be applied on the indebtedness secured hereby, and the whole indebtedness hereby secured may, at the option of the said beneficiary or beneficiary's assigns, be declared due and payable.

Sixth. The grantor further represents unto the said beneficiary for the purpose of obtaining the loan or of obtaining deferred payment on the debt, as the case may be, secured by this instrument that there are no liens, leases, or encumbrances of any sort against the property conveyed herein, except, if any, as shown by the records of said county.

51629
9/7

TRUTH IN LENDING INSURANCE DISCLOSURES

DATE 09/07/04	ACCOUNT NUMBER 26765814	TYPE OF LOAN (Alpha) C00

LENDER/SECURED PARTY NAME AND ADDRESS ("Lender")

AMERICAN GENERAL FINANCIAL SERVICES, INC.
7139 COMMERCE DR STE 1A
OLIVE BRANCH, MS 38654-2114

BORROWER(S) NAME AND ADDRESS ("I","We")

WILLIAM D REESE JR
3153 QUARTZ DR
HERNANDO, MS 38632

CREDIT LIFE, DISABILITY, OR INVOLUNTARY UNEMPLOYMENT INSURANCE IS NOT REQUIRED TO OBTAIN CREDIT AND WILL NOT BE PROVIDED UNLESS I SIGN AND AGREE TO PAY THE ADDITIONAL COST. I cannot be denied credit simply because I choose not to buy credit insurance.

Type of Voluntary Credit Insurance	Premium
CREDIT LIFE AND/OR CREDIT DISABILITY INSURANCE * Date ______ Insurance not elected. (Borrower) ______ Date of Birth Date ______ Coverage not applicable. (Co-Borrower) ______ Date of Birth	$ NONE
CREDIT INVOLUNTARY UNEMPLOYMENT INSURANCE Date ______ Insurance not available. (Borrower) ______ Date of Birth Date ______ Insurance not available. (Co-Borrower) ______ Date of Birth	$ NONE

* If I/We have selected credit disability insurance, I/We certify by signing above that the proposed insured is actively at work at least 30 hours per week. (Applies to all states EXCEPT Washington and Wisconsin.)

VOLUNTARY CREDIT PERSONAL PROPERTY INSURANCE (Not required to obtain credit. May be obtained from any insurer I choose.)	Term In Months	Premium
Date ______ Insurance not available. (Borrower) Date ______ Insurance not available. (Co-Borrower)		$ NONE

CANCELLATION OF VOLUNTARY INSURANCE. I may cancel any of the voluntary credit or voluntary credit personal property insurance coverages elected above within 30 days from the Date of the Loan Agreement (as provided for in the Insurance Policy(ies)) and receive a full refund of premium(s); however, any accrued interest, additional fees, prepaid finance charges, etc., I have paid because these insurance premium(s) were included in the amount I borrowed (Amount Financed) may not be refunded. I may also cancel any voluntary credit or voluntary credit personal property insurance after 30 days have expired, but I will receive a refund of only the unearned premium. To cancel my voluntary credit or voluntary credit personal property insurance, I must submit a signed and dated written request to cancel, along with the insurance certificate/policy received with the loan (if available), to the Lender's address herein, unless otherwise notified. Both I, the Borrower, and my Co-Borrower, if any, must sign the cancellation request. The refunded premiums may be paid to Lender to reduce the amount I owe on the loan.

REQUIRED PROPERTY INSURANCE: I may obtain required property insurance from anyone I want that is acceptable to Lender, or I may provide existing coverage through any insurance company or agent of my choice that is acceptable to Lender. Items that must be insured include any automobiles, all terrain vehicles, snowmobiles, watercraft, other titled vehicles, large equipment, and dwellings and other structures attached to real property ("Property").

SEE REVERSE SIDE FOR ADDITIONAL INSURANCE DISCLOSURES